

UNITED STATES CONSUMER PRODUCT SAFETY COMMISSION

4330 EAST WEST HIGHWAY BETHESDA, MD 20814

COMMISSIONER RICH TRUMKA JR.

CPSC SECURES \$15.8 MILLION PENALTY AGAINST GENERAC FOR FAILING TO TIMELY DISCLOSE AMPUTATION HAZARD POSED BY PORTABLE GENERATORS

MAY 5, 2023

This \$15.8 million dollar penalty against Generac brings the total amount of penalties levied by CPSC against corporate wrongdoers since my term began to \$164 million dollars.¹ That's over \$20 million more than the agency's FY 2022 annual budget of \$139 million.² We're deterring bad actors and providing a tremendous return on investment for the American taxpayer.

Generac executives knowingly failed to report the defect for 25 months after they first became aware that 32 models of portable generators posed amputation and crushing hazards. During that delay, five consumers suffered grievous bodily injuries involving partial amputations. By the time the product was recalled in July 2021,³ eight consumers had lost body parts. Had Generac reported the hazard after the first amputation, which was required by law, seven consumers could have been spared irreparable injuries and severe trauma.

This Commission will use every tool at its disposal to stop bad actors from harming consumers, including maximum civil penalties and, where warranted, criminal referrals.

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¹ Consumer Product Safety Commission: "Clawfoot Supply Agrees to Pay \$6 Million Civil Penalty for Failure to Immediately Report Shower Seats Posing Fall and Laceration Hazards" at: https://www.cpsc.gov/Newsroom/News-Releases/2022/Clawfoot-Supply-Agrees-to-Pay-6-Million-Civil-Penalty-for-Failure-to-Immediately-Report-Shower-Seats-Posing-Fall-and-Laceration-Hazards; "Core Agrees to Pay \$6.5 Million Civil Penalty for Failure to Report-Serious Injuries Involving its Exercise Equipment" at: <a href="https://www.cpsc.gov/Newsroom/News-Releases/2022/Core-Agrees-to-Pay-6-5-Million-Civil-Penalty-for-Failure-to-Report-Serious-Injuries-Involving-its-Newsroom-News-Releases/2022/Core-Agrees-to-Pay-6-5-Million-Civil-Penalty-for-Failure-to-Report-Serious-Injuries-Involving-its-Newsroom-News-Releases/2022/Core-Agrees-to-Pay-6-5-Million-Civil-Penalty-for-Failure-to-Report-Serious-Injuries-Involving-its-Newsroom-News-Releases/2022/Core-Agrees-to-Pay-6-5-Million-Civil-Penalty-for-Failure-to-Report-Serious-Injuries-Involving-its-Newsroom-N

Exercise-Equipment; "Segway Powersports Assessed \$5 Million Civil Penalty for Unlawfully Importing ATVs" at: https://www.cpsc.gov/Newsroom/News-Releases/2022/Segway-Powersports-Assessed-5-Million-Civil-Penalty-for-Unlawfully-Importing-ATVs; "TJX Agrees to Pay \$13 Million Civil Penalty for Selling, Offering for Sale and Distributing Recalled Products" at: https://www.cpsc.gov/Newsroom/News-Releases/2022/TJX-Agrees-to-Pay-13-Million-Civil-Penalty-for-Sale-and-Distributing-Recalled-Products; "Vornado Agrees to Pay \$7.5 Million Civil Penalty-for-Failure-to-Immediately-Report-Space-Heaters-Posing-a-Fire-Hazard; "Peloton Agrees to Pay \$19 Million Civil Penalty for Failure to Immediately Report Tread+ Treadmill Entrapment Hazards and for Distributing Recalled Treadmills" at: https://www.justice.gov/opa/pr/gree-appliance-companies-charged-failure-report-dangerous-dehumidifiers-and-agree-91-million

² Consumer Product Safety Commission, "FY 2022 Agency Financial Report (AFR)" (PDF page 12) at: https://www.cpsc.gov/content/FY-2022-Agency-Financial-Report-AFR

³ Consumer Product Safety Commission, "Generac Recalls Portable Generators Due to Finger Amputation and Crushing Hazards" at: https://www.cpsc.gov/Recalls/2021/Generac-Recalls-Portable-Generators-Due-to-Finger-Amputation-and-Crushing-Hazards